

Shawn Curry  
ChairpersonDaniel Hopkins  
Vice-ChairpersonPaul Swanlund  
SecretaryElizabeth Holleb  
TreasurerLee Catavu  
TrusteeMark Poulos  
TrusteeMichael Inman  
TrusteePhil Suess  
TrusteeBrad Cole  
Trustee**ILLINOIS POLICE OFFICERS' PENSION INVESTMENT FUND  
BOARD OF TRUSTEES REGULAR MEETING MINUTES****FRIDAY, JULY 23, 2021 AT 9:00 A.M.**

A regular meeting of the Board of Trustees of the Illinois Police Officers' Pension Investment Fund was held through the Zoom digital platform in accordance with Executive Order 2021-14 issued by Governor Pritzker and Public Act 101-0640. Members of the public were invited to participate remotely or in person pursuant to the meeting notice and agenda.

**TRUSTEES PRESENT:** Shawn Curry  
Paul Swanlund  
Elizabeth Holleb  
Brad Cole  
Lee Catavu  
Mark Poulos  
Phil Suess (*joined at 9:07 a.m.*)

**TRUSTEES ABSENT:** Michael Inman  
Daniel Hopkins (*joined at 11:22 a.m.*)

**OTHERS PRESENT:** Richard White, Interim Executive Director  
Kent Custer, Chief Investment Officer  
Rick Reimer, General Counsel, Reimer Dobrovolny & LaBardi PC  
Joe Burns, Fiduciary Counsel, Jacobs Burns Orlove & Hernandez, LLP  
Taylor Muzzy, Fiduciary Counsel, Jacobs Burns Orlove & Hernandez, LLP  
AJ Weber, Chief Financial Officer, Lauterbach & Amen, LLP  
Stephanie Masson, Lauterbach & Amen, LLP  
Allie Rysell, Plan Administrator, Foster & Foster, Inc.  
Members of the Public

**CALL TO ORDER:** Chairperson Curry called the meeting to order at 9:06 a.m.

**ROLL CALL:** As reflected above.

*Trustee Suess joined at 9:07 a.m.*

**MEETING MINUTES:** *Review/Accept – April 16, 2021 Governance Committee Meeting Minutes:*  
The Board reviewed the approved minutes from the April 16, 2021 Governance Committee meeting. A motion was made by Trustee Holleb and seconded by Trustee Poulos to accept the April 16, 2021 Governance Committee meeting minutes. Motion carried by roll call vote.

**AYES:** Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
**NAYS:** None  
**ABSENT:** Trustees Hopkins and Inman

*Review/Approve – June 25, 2021 Board Meeting Minutes and Closed Session:* The June 25, 2021 Board meeting minutes and closed session were tabled to the next Board meeting.

*Review/Accept – July 7, 2021 Governance Committee Meeting Minutes:* The Board reviewed the approved minutes from the July 7, 2021 Governance Committee meeting. A motion was made by Trustee Holleb and seconded by Trustee Poulos to accept the July 7, 2021 Governance Committee meeting minutes. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

**COMMITTEE REPORTS:** *Legislative Committee:* Governmental Liaison Bello reviewed the Legislative Update Report dated July 23, 2021 with the Board. She stated that she does not have any new updates to report on Senate Bill 2107. The bill was passed by the House and Senate on May 30, 2021 and was sent to the Governor on June 28, 2021 to be signed. Ms. Bello highlighted additional bills that may be discussed at a future Legislative Committee meeting for consideration.

*Ms. Bello left at 9:12 a.m.*

*Audit and Budget Committee:* Committee Chairperson Holleb informed the Board that the Committee's July 30, 2021 Audit and Budget Committee meeting would be rescheduled. A new meeting date has not yet been determined.

*Contract Committee:* Committee Chairperson Suess informed the Trustees that he did not have any updates to review with the Board.

*Election Committee:* Committee Member Catavu informed the Trustees that he did not have any updates to review with the Board.

*Governance Committee – Review/Approve Revision of Bylaws and Repeal of Policy:* Executive Director White reviewed a memorandum dated July 23, 2021 regarding the "Revision of Bylaws" with the Board. He stated that the Committee voted unanimously to recommend Board approval of the proposed revision to the Bylaws to add Section 209 regarding Remote Attendance. By adding this section to the Bylaws, legal counsel finds that it is not necessary to also have Policy 2020-06 Electronic Attendance at Meetings. All questions were answered by Committee Chairperson Poulos, Executive Director White, Attorney Reimer, and Attorney Muzzy. A motion was made by Trustee Poulos and seconded by Trustee Catavu to adopt the revisions to the Bylaws, adding Section 209 Remote Attendance. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

A motion was made by Trustee Catavu and seconded by Trustee Poulos to repeal Policy 2020-06 Electronic Attendance at Meetings. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

**TREASURER'S REPORT:** Treasurer Holleb reviewed her memorandum dated July 20, 2021 regarding the "Treasurer's Report – IPOPIF Board Meeting, July 23, 2021" with the Board.

*Monthly Financial Report – Review June 2021 Financial Statements:* The June 30, 2021 Monthly Financial Report was reviewed with the Board as prepared by Lauterbach & Amen, LLP. The financial activities for the month of June were reviewed as well as the fiscal year to date, including a comparison against the approved budget. As of June 30, 2021, the fiduciary net position restricted is \$352,686.41. A motion was made by Trustee Holleb and seconded by Trustee Poulos to approve the June monthly financial report. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

*Approval of Budget Amendments:* No budget amendments were requested at this time.

*Approval of Vendors and Purchases:* No vendor or purchase approvals were requested.

*Review Loan Activity:* Treasurer Holleb reviewed the loan activity with the Board. As of June 30, 2021, the Fund has drawn down \$1,400,000 from the Illinois Finance Authority loan for operating purposes. She stated that the July draw request of \$200,000 was fulfilled in June and is reflected in the financials.

*Review/Approve – Warrants #28 and #29, Summary of Payments:* The Board reviewed Warrants #28 and #29 as prepared by Foster & Foster, Inc. The Board reviewed the Summary of Payments along with all corresponding invoices. The total amount due for the period June 26, 2021 – July 23, 2021 is \$213,874.23 and itemized as follows: Service provider invoices totaling \$211,568.74; Staff and Trustee Reimbursement Requests totaling \$2,218.86; and office supplies totaling \$86.63. A motion was made by Trustee Poulos and seconded by Trustee Catavu to approve payment of Warrant #28. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

A motion was made by Trustee Holleb and seconded by Trustee Poulos to approve payment of Warrant #29. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

*Other:* There were no other items to report to the Board.

**INVESTMENTS: Review/Approve – Search for Passive Investment Managers:** CIO Custer reviewed a memorandum dated July 20, 2021 regarding the “Search Request for Passive Investment Management Services” with the Board. CIO Custer and the Fund’s Investment Consultant, Verus, requested Board action to approve a search for passive investment management services.

CIO Custer provided a brief overview of passive investment management services. He stated that passive investment management is typically at a much lower cost than active managers that attempt to outperform the benchmark index. He anticipates that the incoming assets will be deployed into passive investment strategies. CIO Custer reviewed a table summarizing the strategies that will be included in the search, the desirable characteristics, and a preliminary Request for Proposal (RFP) timeline. CIO Custer stated that the RFP is under development, and he anticipates that the final document will be released by the end of the month. Trustee Suess requested details regarding the language that will be included in the RFP concerning securities lending and shared his recommendation with staff. CIO Custer thanked Trustee Suess for his feedback and stated that securities lending language would be evaluated by staff and incorporated into the RFP. A motion was made by Trustee Cole and seconded by Trustee Holleb to approve a search for passive investment management services. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

*Transition Status Report:* CIO Custer provided a status update on the project planning developments and recruitment of an Investment Officer. He expects to have the Investment Officer position filled with an employment start date in early August. CIO Custer is working with Human Resources to begin the recruitment process for another Investment Officer or Analyst to join the Fund. He also provided status updates on the custodian agreement, transition management RFP, investment strategy timeline, and transition. All questions were answered by CIO Custer.

**EXECUTIVE DIRECTOR’S REPORT: Review/Approve – Search for CPA-Certified Asset List Service Provider:** Executive Director White reviewed a memorandum dated July 23, 2021 regarding “CPA Services – Certified Asset List RFP” with the Board. Executive Director White requested Board action to approve and release the RFP for Certified Public Accountant firms to provide certified asset list services, as required by the Illinois Pension Code. The draft RFP was reviewed with the Board. The Board discussed the scope of services, contract period, evaluation criteria, and projected RFP schedule with Executive Director White. Trustees Holleb and Suess shared suggested amendments with Executive Director White. Trustee Holleb also inquired if the Fund’s financial auditor, Baker Tilly, could respond to the RFP or if there would be a conflict of interest. Attorney Reimer addressed Trustee Holleb’s concerns and referenced the Ethics Policy. A motion was made by Trustee Catavu and seconded by Trustee Poulos to approve and release the CPA Services Certified Asset List Request for Proposal as amended. Motion carried by roll call vote.

AYES: Trustees Curry, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustees Hopkins and Inman

*Review/Approve – Revised 2021 Board and Committee Meeting Schedule:* Executive Director White reviewed a memorandum dated July 23, 2021 regarding the “Board and Committee Meeting Calendar” with the Board. Executive Director White requested that the Board consider adopting a new meeting schedule for the remainder of the calendar year. He stated that now that the Board selected an office location in the City of Peoria, combined with the potential for in-person meetings to resume, the opportunity presents itself for the Board to consider revising the meeting calendar. The Trustees provided feedback to Executive Director White on the proposed meeting calendar. Further discussion will be held at the next Board meeting.

*Data Aggregation Project – Lauterbach & Amen, LLP:* Executive Director White reviewed a memorandum dated July 23, 2021 regarding the “Data Aggregation Project – Sole Source Purchase” with the Board. Executive Director White stated that staff and consultants requested that the asset holdings of the individual funds be collected into a single database that would be used for planning and reporting purposes, as required during the transition phase. He advised the Board that Lauterbach & Amen will provide these services for the Fund. Executive Director White reviewed the scope of work, selection criteria, fees, and Lauterbach & Amen’s proposal. The project will be billed at an hourly rate based upon the staff level of service used. The cost of the data project is estimated not to exceed \$10,000.

Trustee Suess inquired if there would be a conflict of interest for Lauterbach & Amen to provide data aggregation project services for the Fund. CFO Weber stated that there would be no conflict of interest for Lauterbach & Amen to provide the requested services. He added that this would be an agreed-upon procedures project to build the requested database, and auditing nor attesting services would be provided.

Trustee Holleb suggested that Lauterbach & Amen incorporate additional data like the funded ratio and assumed rate of return in the database. The Board discussed the local fund data that is available through the Illinois Department of Insurance (IDOI). Trustee Cole offered his assistance on the data aggregation project. He encouraged staff to contact him if additional data is needed that cannot be obtained through the IDOI. Lastly, Trustee Holleb recommended that the proposal be revised to include language indicating that the data is the property of the IPOPIF. The data would be made available in the event the Fund’s relationship with Lauterbach & Amen changes in the future.

*Retention of Communications Specialist – Shepherd Communications, LLC:* Executive Director White reviewed a memorandum dated July 23, 2021 regarding the “Retention of a Communications Specialist” with the Board. Executive Director White initiated an engagement with Kim Shepherd, Shepherd Communications, to provide strategic communication services to the Fund. Executive Director White provided background information on Ms. Shepherd, the scope of services, term of engagement, and fees. The three-month engagement with Shepherd Communications will cost \$5,000 and will commence on August 1, 2021.

*Status Report – Administration and Operations:* Executive Director White provided status updates related to actuarial matters, audits, communications, human resources, the transition, and other miscellaneous matters. He also provided an update to the Board on the status of the lease agreement for the office, along with the buildout and technology requirements. He informed the Board that the buildout timelines will be developed once the lease agreement is executed. Further discussion will be held at the next meeting.

Trustee Suess inquired if the Fund has received frequent FOIA requests. Attorney Reimer reviewed recent FOIA requests along with the Fund's responses. Trustee Suess asked staff if a FOIA portal would be a useful addition to the Fund's website. Executive Director White will contact the Fund's website developer, Levi Ray & Shoup, to inquire if a FOIA portal could be added and to obtain additional information.

*Trustee Hopkins joined at 11:22 a.m.*

Executive Director White recommended the Board considers scheduling a strategic planning workshop to develop initiatives and action plans to accomplish goals and desired outcomes to assist with the guidance and development of the organization. Trustee Suess is in favor of the Board conducting a strategic planning workshop. He recommended the Board delay the workshop until next year to focus on the work related to the transition. Trustees Cole and Holleb agreed with Trustee Suess' recommendation. Chairperson Curry requested that the specifics of the strategic planning workshop are expanded upon for review and discussion at a future meeting.

**LEGAL COUNSEL'S REPORT:** *General Legal Counsel:* Attorney Reimer did not have anything new to report to the Board.

*Fiduciary Legal Counsel:* Attorney Burns did not have anything new to report to the Board.


**CLOSED SESSION:** There were no matters to discuss in closed session.

**PUBLIC COMMENT:** There were no comments from the public.

**ADJOURNMENT:** With no further business to discuss, a motion was made by Trustee Catavu and seconded by Trustee Swanlund to adjourn the meeting at 11:35 a.m. Motion carried by roll call vote.


AYES: Trustees Curry, Hopkins, Swanlund, Holleb, Catavu, Poulos, Suess, and Cole  
NAYS: None  
ABSENT: Trustee Inman

Respectfully submitted by:

  
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Allie Rysell, Plan Administrator  
Foster & Foster, Inc.

Approved by:

  
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Shawn Curry, Board Chairperson

  
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Paul Swanlund, Board Secretary

Date Approved by the Board of Trustees: October 8, 2021

*The next Board meeting of the Illinois Police Officers' Pension Investment Fund will be held on Friday, August 13, 2021 at 9:00 a.m. via the Zoom digital platform in accordance with Governor Pritzker's Executive Order in effect on the date and time of the meeting and Public Act 101-0640.*